

INVITATION TO BID NO. 2019-1

**Alabama Housing Finance Authority
d/b/a ServiSolutions®
7460 Halcyon Pointe Drive, Suite 200
Montgomery, AL 36117**

Property Inspection and Preservation Services

Sealed bids must be received before March 29, 2019 at 4:00 p.m., Central Time, and will be publicly opened immediately thereafter. Late bids will be returned to the Vendor unopened.

Notice to Bidders: The successful bidder will enter into a contract to perform both Property Inspection and Preservation Services. Because the cost of Preservation Services is established by insurers/guarantors, pricing for that service is not requested in this ITB. Pricing is requested for Property Inspection Services and the contract for both services will be awarded to the lowest responsible and responsive bidder for Property Inspection Services as specified herein.

To Be Completed by Vendor

Information in this section must be completed. Bid response must be in ink or typed with original signature and notarization.

Contact Person: _____

Vendor Name: _____

E-Mail Address: _____

Telephone Number: _____

Fax Number: _____

****** Important Note ******

Vendor must comply with all mandatory terms, conditions and instructions in this Invitation to Bid (ITB). AHFA reserves the right to contact any vendor submitting a bid for clarification.

Submission of Sealed Bids

*Bids may be submitted to AHFA via U. S. Mail, express mail service or courier to: Alabama Housing Finance Authority, **ATTN: GENERAL COUNSEL**, 7460 Halcyon Pointe Drive, Suite 200, Montgomery, AL 36117.*

Note: Please do not email or fax any of the sealed bids as they will not be accepted in this form.

For Inquiries Only: **Anthony Box at (334) 244-9200 or abox@ahfa.com**

OPERATIONAL OVERVIEW

The Alabama Housing Finance Authority (AHFA) was created in 1980 by Act No. 80-585 of the Alabama Legislature. AHFA is a public corporation and instrumentality of the State of Alabama dedicated to serving the housing needs of low and moderate-income Alabamians. ServiSolutions® is a division of the Alabama Housing Finance Authority and offers residential mortgage servicing for financial institutions. In this capacity, ServiSolutions® services all types of mortgages including FHA, VA, Rural Development, conventional uninsured and conventional insured loans. ServiSolutions® is an approved FHA, VA, Rural Development, Fannie Mae, Freddie Mac and Ginnie Mae servicer, currently managing a portfolio of over 56,000 mortgage loans totaling over \$7.6 billion.

Purpose and Description of Services

ServiSolutions®, as a mortgage servicer, is required to inspect and maintain vacant properties in its portfolio, foreclosing only as a last resort and conveying those properties to the guarantor or insurer in a clean and broom-swept condition or marketing the properties as a Real Estate Owned (REO) property when applicable. These properties are located primarily in the states of Alabama, Arkansas, Mississippi, Missouri, North Carolina, and Washington. AHFA intends to enter into a contractual agreement (section D) with the Vendor submitting the lowest responsible and responsive bid and meeting all mandatory specifications and vendor qualifications. You are bidding to perform property preservation, inspection, and valuation services in accordance with applicable state, federal, investor and insurer/guarantor guidelines.

Average Monthly Volume (1st Mortgages)

Delinquent property inspections	1800-2000 (including foreclosure and bankruptcy)
Pre-sale foreclosures	400
Post-sale foreclosures	200
Active REOs (non-FNMA)	5-10
Loss draft claims	150 (25% may require repairs to be completed by vendor)
Appraisals	60
Broker's Price Opinions	10

Portfolio by State (1st Mortgages)

Alabama loan count	13,200
Missouri loan count	8,000
Washington loan count	14,000
Mississippi loan count	2,000
North Carolina loan count	18,200
Arkansas loan count	50

SERVICE REQUIREMENTS: The successful vendor will be required to perform the following services on properties identified by AHFA on an as-needed basis. Should the bidder take exception to any such requirement or be unable to perform any service identified below, the exception must be noted within the Bid. The failure or inability of the Vendor to perform, or continue to perform, throughout the term of the contract, such service or services may, at AHFA's sole discretion, be grounds for immediate cancellation of the contract.

- A. Monthly property inspections of delinquent accounts to determine occupancy status, property condition and personal contact with the borrower to advise the borrower of the need to contact ServiSolutions® to discuss their loan status.

- B. Monthly property inspections of properties in foreclosure and REO to determine occupancy status and property condition.
- C. Monthly no-contact inspections of properties in bankruptcy to determine occupancy status and property condition.
- D. Provide loss draft inspections, report of damages, any known cause of damage, and photos on an as-needed basis for damaged properties in collections, foreclosure, REO and bankruptcy.
- E. Provide bids for repairs and other necessary tasks, including photos, in accordance with all applicable state, federal, investor and insurer/guarantor guidelines.
- F. Complete repairs in accordance with applicable state, federal, investor and insurer/guarantor guidelines.
- G. Secure properties upon determination of vacancy in accordance with applicable state, federal, investor and insurer/guarantor guidelines.
- H. Maintain and provide before and after photos of all property preservation work for all loan types, including but not limited to, lock change, winterization, debris removal, eviction and repairs, in accordance with applicable state, federal, investor and insurer/guarantor guidelines.
- I. Coordinate and complete eviction orders with local authorities in accordance with applicable state, federal, investor and insurer/guarantor guidelines.
- J. Provide initial and recurring grass cuts during summer months or to resolve city and municipal citations in accordance with applicable state, federal, investor and insurer/guarantor guidelines.
- K. Provide winterization services during winter months in accordance with applicable state, federal, investor and insurer/guarantor guidelines.
- L. Provide de-winterization services as necessary in accordance with applicable state, federal, investor and insurer/guarantor guidelines.
- M. All tasks are to be performed within the timeframes established by state, federal, investor and insurer/guarantor guidelines.
- N. Provide securing, winterization and clean out services as needed on REO properties as approved by AHFA.
- O. Provide appraisal or broker's price opinions as needed in accordance with applicable state, federal, investor and insurer/guarantor guidelines or as approved by AHFA.
- P. Obtain second bids as requested by AHFA.
- Q. Submit over-allowable preservation requests to the appropriate HUD Mortgagee Compliance Manager for approval and file appeals as needed.
- R. Submit requests for conveyance extensions to the appropriate HUD Mortgagee Compliance Manager for approval and file appeals as needed.
- S. Provide monthly reports addressing HUD demands and non-compliance notifications.
- T. Register, renew and de-register vacant properties as necessary and in compliance with local authorities.
- U. Provide portal access for tracking all work orders and maintain an archive file of each loan to include photos and any documentation pertaining to the loan.
- V. Submission of all property service invoices directly into Black Knight's Invoice Management program.
- W. Ability to post all loan-level property updates directly into AHFA's Black Knight (MSP) service bureau (*not a required service, will be a beneficial consideration*).

PRICE SHEET

VENDOR NAME: _____

PROPERTY INSPECTION (If necessary, please attach sheet for any other cost or charges)

- Monthly Charges

Type	Price/Per	Est. Volume	Monthly Cost
Routine delinquency inspection	_____	1800	_____
Loss draft (insurance) inspection	_____	50	_____
Rush occupancy inspection	_____	25	_____
Bid charge	_____	50	_____
Appraisals	_____	60	_____
BPOs	_____	10	_____
TOTAL MONTHLY COST			\$ _____

Signature and Notarization Required

I am an authorized representative of this company and have read the entire invitation to bid and agree to furnish the services required in this ITB at the prices quoted in accordance with applicable state, federal, investor and insurer/guarantor guidelines or as approved by AHFA. I hereby affirm I have not been in any agreement or collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding.

COMPANY NAME _____ FEIN _____

MAILING ADDRESS _____ CITY _____ STATE _____

EMAIL ADDRESS _____

TITLE _____ PHONE (_____) _____

TYPE/PRINT AUTHORIZED NAME _____

AUTHORIZED SIGNATURE _____

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 2019.

NOTARY PUBLIC (SEAL)

My commission expires: _____

A. Vendor Qualifications and Additional Requirements

In addition to the **PROPERTY PRESERVATION, MONTHLY INSPECTION, and VALUATION SERVICE REQUIREMENTS** listed above, the successful Vendor must meet the qualifications and be able to perform the services listed below in a time and manner satisfactory to AHFA and, upon request, provide documentation supporting any claim of compliance. The person signing the Bid Response on behalf of the Vendor must affirmatively indicate, by placing his or her initials in the spaces provided, that the Vendor is capable of performing each service and agrees to do so as required herein. Any exceptions must be clearly stated on a separate page attached hereto and may result in disqualification of the Vendor.

1. Vendor must be able to provide inspection, preservation, and valuation services for any property in the continental United States.

Agreed: _____ (Initials)

2. Vendor must be a business partner with and able to exchange data files with Black Knight, Inc. and its operating subsidiaries (Black Knight).

Agreed: _____ (Initials)

3. Vendor must provide evidence of liability and errors and omissions insurance showing commercially reasonable types and amounts of coverage.

Agreed: _____ (Initials)

4. Vendor's personnel and subcontractors must be experienced, properly trained, properly supervised, appropriately licensed, otherwise qualified and capable of performing the services in accordance with this agreement.

Agreed: _____ (Initials)

5. Vendor shall be liable for monetary losses, including legal expenses, incurred by AHFA resulting from an error or omission by Vendor and/or Vendor's contractor(s).

Agreed: _____ (Initials)

6. Vendor must be familiar with all property preservation, inspection, and valuation requirements as established by state, federal, investor and insurer/guarantor guidelines.

Agreed: _____ (Initials)

7. Vendor must provide portal access for entering and tracking all work orders and maintain an archive file of each loan to include photos and any documentation pertaining to the loan.

Agreed: _____ (Initials)

8. Vendor must provide a specific point of contact for any preservation or billing matters that need to be discussed.

Agreed: _____ (Initials)

9. Vendor must provide a periodic report of outstanding billings due to Vendor.

Agreed: _____ (Initials)

10. Vendor must provide evidence of the internal and/or external quality control program in place to ensure compliance with state, federal, investor and insurer/guarantor guidelines for property preservation requirements.

Agreed: _____ (Initials)

11. As a condition of an aware, vendor must provide names and contact information of five (5) Black Knight clients and its operating subsidiaries (Black Knight) for which Vendor is currently providing property preservation, inspection, and / or valuation services and has done so for the preceding three (3) year period. Please specify the services provided for each client.

Agreed: _____ (Initials)

12. Vendor expressly agrees to accept and perform the property preservation services for the fee limits as established and approved by state, federal, investor and insurer/guarantor guidelines under normal circumstances.

Agreed: _____ (Initials)

13. Vendor's order tracking system and customer support system must be available to AHFA ninety-nine percent (99%) of the time between 8:00 am and 7:00 pm CT, Monday - Friday.

Agreed: _____ (Initials)

14. AHFA loan data must be hosted in a SSAE (SOC1 minimum, SOC2 preferred) 16 compliant environment. The application and/or host to provide the service must:

- a. Be penetration-tested (application level) prior to being in production;
- b. Be regularly re-evaluated or as code changes warrant;
- c. Provide industry standard end-to-end data encryption via Secure Sockets Layer (SSL), or higher.

Agreed: _____ (Initials)

15. Vendor shall provide training required by AHFA personnel to properly utilize the order tracking system.

Agreed: _____ (Initials)

Vendor is encouraged to emphasize any special capabilities or experience relating to services required under this ITB by including such as an attachment to the Bid.

Pages One (1), Four (4), Five (5), and Six (6) must be completed where applicable and returned with Vendor's Bid.

C. Submission of Bid

Bids should provide straightforward and concise descriptions of the vendor's ability to satisfy the requirements of this ITB. The Bid must be complete and accurate. Omissions, inaccuracies or misstatements may, at AHFA's discretion, be sufficient cause for rejection of a bid. AHFA reserves the right to reject all bids and cancel the ITB at any time before the award of a contract.

D. Award/Contract

The successful Vendor will be required to enter into a three (3) year contract commencing on a date designated by AHFA, no earlier than June 1, 2019, with terms and conditions agreeable to AHFA subsequent to the award of the bid. Vendor must agree to extend the contract for two (2) additional one (1) year periods under the same terms and conditions at AHFA's sole option. No payment will be made until AHFA employees have been trained and the property preservation tracking process is operational. If, during the course of an awarded contract, operational discrepancies occur that adversely impact the ability of AHFA to comply with state, federal, investor and/or insurer/guarantor guidelines, the Vendor agrees to discuss and timely remedy such discrepancies to the satisfaction of AHFA. Failure to respond in a timely manner and to comply with any reasonable request may result in the termination of the contract without penalty to AHFA.

If Vendor has a standard contract form that it expects to utilize for this transaction, the contract form must be included with the Bid and the Vendor must identify the provisions or sections of its contract that are non-negotiable. AHFA reserves the right to eliminate any bid if the Vendor's non-negotiable contract terms or conditions are not satisfactory to AHFA.

The Bid will be based upon the monthly cost to AHFA, ability of the Vendor to meet all ITB requirements, with consideration as to any/all benefits identified within the Vendor's bid that are not expressly required within the ITB. Tie bids will be awarded to the bidder that, in the opinion of the Executive Director of AHFA, will best serve the interests of AHFA.

STANDARD TERMS AND CONDITIONS

BID INSTRUCTIONS

1. Vendor must address all terms, conditions, specifications and vendor qualifications contained herein.
2. Bid envelopes or packages should be identified on front with ITB 2019-1 and bid opening date, along with company name, company representative name and telephone number. Bids must be in the AHFA office prior to the "Receive Date and Time" indicated herein. Bids received after the Receive Date and Time will be denied and returned unopened. AHFA does not assume responsibility for late bids for any reason including those due to postal or courier service delays.
3. Bid responses must be in ink or typed on the document or the bid will be rejected. **PAGES 1, 4, 5, and 6 MUST BE COMPLETED WHERE APPLICABLE AND RETURNED with Vendor's Bid.** All pages should be secured. AHFA does not assume responsibility for missing pages.
4. **Faxed bid responses will not be accepted.**
5. Any price change on a line must be initialed by the person signing the bid, or that line will be rejected. This includes a cross-out, strike-over, ink-over, white-out, erasure, or any other method changing the price.

DISQUALIFIED/CANCELLED BID

The following is a partial list whereby a bid shall be denied or disqualified:

1. Bid received late
2. Bid not signed/not original signature
3. Bid not notarized/not original signature of notary and/or no notary expiration
4. Required information not submitted with bid

CERTIFICATIONS

Alabama law (Section 41-4-116, Code of Alabama 1975) provides that every bid submitted and contract executed shall contain a certification that the vendor, contractor, and all of its' affiliates that make sales for delivery into Alabama or leases for use in Alabama are registered, collecting and remitting Alabama state and local sales, use, and/or lease tax on all taxable sales and leases into Alabama. By submitting this bid or executing this contract, the bidder is hereby making such certification and acknowledges that AHFA may declare the contract void if the certification is false.

INTERNET WEBSITE LINKS

Internet and/or website links will not be accepted in bid responses as a means to supply any requirements stated within this ITB.

SALES TAX EXEMPTION

Pursuant to the Code of Alabama, 1975, as amended, Section 24-1A-12, AHFA is exempt from paying sales tax. An exemption letter will be furnished upon request.

REVIEW OF BIDS

Bids submitted in response to this ITB will be made available for review in the AHFA offices after a contract has been awarded. AHFA does not fax or mail copies of bids. If a vendor wishes to review bids in our office, the request should be faxed to AHFA at (334-244-9214), ATTN: GENERAL COUNSEL. AHFA will arrange a convenient time and date for the review.

FOREIGN CORPORATION – REGISTRATION

Section 10A-2-15.01 requires that a foreign corporation register with the Alabama Secretary of State prior to transacting business in Alabama. For registration information you may contact the Office of the Secretary of State, Business Services Division, 334-242-5324, or visit their web site (www.sos.state.al.us) for additional information.

DEFINITIONS

AWARD: Award will be made “all or none” to the lowest responsible and responsive bidder meeting all terms, conditions, specifications and vendor qualifications, to include other beneficial considerations detailed within the bid.

DEFAULT: When a vendor defaults on a contract/purchase order, AHFA can procure the goods or services from other sources and hold the vendor responsible for any excess in price/handling. The vendor may be barred from bidding for an indeterminate period.

REQUESTED INFORMATION: Requests for additional vendor information must be furnished within two (2) business days from receipt of the request.

FIRM PRICING: All prices quoted should be firm for a period of ninety (90) days from the vendor’s notification of award.